



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Authorizing the Procurement of Emergency Generator from Holt of California (Caterpillar) of Stockton, CA (Not to Exceed \$36,200) (EUD)

MEETING DATE: August 1, 2007

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: Adopt a resolution authorizing the procurement of emergency generator from Holt of California (Caterpillar) of Stockton, CA (not to exceed \$36,200).

BACKGROUND INFORMATION: On July 16, 2007 during a regular inspection and test run, the emergency generator failed to start immediately. The generator started after several tries and was observed to be using excessive oil. On July 18, 2007, mechanics inspected the emergency generator and changed oil. Water was found mixed with the oil that was drained and there were traces of oil leaks from the generator on the concrete slab. The unit has been in operation for approximately 25 years.

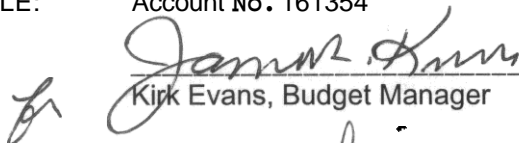
During emergency outages involving Henning Substation, the generator is used to serve power to EUD's control room and other essential loads. It provides power to EUD's SCADA System (Supervisory Control and Data Acquisition System) so Operators can monitor other substation facilities like McLane, Killelea and Industrial. The emergency generator is critical to EUD Operations Center and it is a requirement for safe and secure power utility operations.

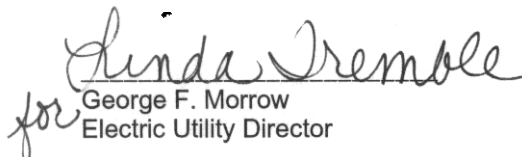
This emergency generator would be purchased from Holt of California (Caterpillar) as sole source procurement. This is consistent with the "Standardization of Standby Electric Generator Systems" for Public Works Department as approved by the City Council on February 19, 2003 that all future standby generators will be Caterpillar. Such standardization simplifies maintenance, reduces spare part inventory costs, lessens the need for special tools and reduces the cost of maintenance training.

Lodi Municipal Code, Section 3.20.070, Bidding, "...when the City Council determines that the purchase or method of purchase would be in the best interests of the city", is the basis for this action.

FISCAL IMPACT: The generator price is not \$36,200.


FUNDING AVAILABLE: Account No. 161354


Kirk Evans, Budget Manager


George F. Morrow
Electric Utility Director

PREPARED BY: Derry Bucaneg, Jr., P.E., Manager, Engineering & Operations
GFM/DB/1st

APPROVED:


Blair King, City Manager

RESOLUTION NO. 2007-148

A RESOLUTION OF THE LODI CITY COUNCIL
AUTHORIZING THE PURCHASE OF AN EMERGENCY
GENERATOR FOR ELECTRIC UTILITY DEPARTMENT
OPERATIONS CONTROL CENTER AND FURTHER
APPROVING STANDARDIZING CATERPILLAR FOR
ANY SUCH PURCHASES

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WHEREAS, Lodi Municipal Code §3.20.070 authorizes dispensing with bids for purchases of supplies, services, or equipment when it is in the best interest of the City to do so; and

WHEREAS, the Electric Utility Department Operations Center emergency generator has been in operation for approximately 25 years; and

WHEREAS, during a recent inspection and test run, the emergency generator failed to start immediately, ran after several tries, and was observed to be using excessive oil; and

WHEREAS, during emergency outages involving Henning Substation, the generator is used to serve power to the control room and other essential loads and also provides power to the Supervisory Control and Data Acquisition (SCADA) System so the Operators would be able to monitor the other substation facilities like McLane, Killelea, and Industrial; and

WHEREAS, the emergency generator is critical to the Electric Utility Department Operations Center and it is a requirement for safe and secure power utility operations, and with the planned modification of the Operations Control Center, a new replacement generator would be adequately sized to serve added load and interface with the updated SCADA System for remote control and monitoring; and

WHEREAS, staff recommends the sole-source purchase of a diesel-fueled, Model No. DBO-4 Caterpillar emergency generator from Holt of California at a cost not to exceed \$36,200; and

WHEREAS, staff further recommends standardization of Caterpillar generators by the Electric Utility Department to fall in line with the Public Works Department standardization as approved by the City Council on February 19, 2003, as this standardization simplifies maintenance, reduces parts inventory costs, lessens the need for special tools, and reduces the cost of maintenance training.

NOW, THEREFORE, **BE IT RESOLVED** that the Lodi City Council hereby approves the sole-source purchase of a new diesel-fueled, Model No. D80-4 Caterpillar emergency generator from Holt of California, of Stockton, California, at a cost not to exceed \$36,200 for the Electric Utility Department Operations Control Center; and

BE IT FURTHER RESOLVED that the City Council further approves standardization of Caterpillar generators for the Electric Utility Department.

Dated: August 1, 2007

I hereby certify that Resolution No. 2007-148 was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 1, 2007, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Hitchcock, Katzakian, Mounce,
and Mayor Johnson

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None



RANDI JOHL
City Clerk